

SDMS # 31294

AR00003

UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION 9

In the Matter of :

H. KRAMER AND COMPANY  
1 CHAPMAN WAY  
EL SEGUNDO, CALIFORNIA,

H. KRAMER AND COMPANY AND  
AERO INDUSTRIES,

Respondents

Proceeding under Section 106 of the  
Comprehensive Environmental Response,  
Compensation and Liability Act of 1980,  
as amended by the Superfund Amendments  
and Reauthorization Act of 1986,  
(42 U.S.C. §9606)

Order No. 88-19

I. Jurisdiction

This Order is issued to H. Kramer and Company and Aero Industries pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, by authority delegated to the Administrator of the United States Environmental Protection Agency (EPA), and redelegated to the EPA Regions. This Order is also issued pursuant to the Bankruptcy Code, 11 U.S.C.A. Section 362(b)(4).

The Director of the Toxics and Waste Management Division, EPA Region 9, has determined that there may be an imminent and substantial endangerment to the public health, welfare or the environment because of the release and threatened release of

hazardous substances from the H. Kramer and Company facility at 1 Chapman Way, El Segundo, California.

## II. Findings of Fact

### A. Background - H. Kramer and Company

1. The facility, (known as "the Property"), is an abandoned secondary metals smelting operation located at 1 Chapman Way, El Segundo, California.

2. The facility currently consists of several buildings, smelting furnaces, a slag pile, baghouse ash, furnace ash, drums, cooling pond water/sludge and scrap metal/debris. EPA's On-Scene Coordinator and Technical Assistance Team contractor, Ecology and Environment, Inc., collected samples at the facility on March 14, 1988 for testing. Generally, the samples contained excessive levels of copper, lead and zinc. High concentrations of beryllium and cadmium were also detected in some of the samples. The sample data is summarized in Exhibit I.

3. Respondent H. Kramer and Company ("Kramer") filed a Petition for Reorganization under Chapter 11 of the Bankruptcy Code in December, 1985 in the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division [In the Matter of H. Kramer & Co., an Illinois corporation, I.D. #36-1340270 (No. 85 B 16687 Honorable Eugene R. Wedoff, presiding)].

4. Respondent Aero Industries ("Aero") has entered into a contract with Kramer wherein Aero will raze, dismantle and remove most of the buildings and equipment at the Property at no cost to Kramer. This contract has been approved by an Order of the Bankruptcy Court on March 14, 1988.

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1           5. Respondent Aero Industries has indicated an intent to  
2 purchase the property and mitigate the threat to human health and  
3 the environment posed by hazardous materials located on or  
4 beneath the site.

5           6. The EPA has designated an On-Scene Coordinator ("OSC")  
6 for the facility, pursuant to 40 C.F.R. Part 300.

7    B. Endangerment

8           7. Population at risk. The site poses a risk to workers  
9 conducting security and demolition activities on-site and to per-  
10 sons off-site in the vicinity of the site. Personnel  
11 conducting site security and cleanup activities may be exposed to  
12 contaminants in surface soil and at other areas of the site such  
13 as ash storage piles or drum storage areas. Personnel conducting  
14 demolition activities may generate significant quantities of  
15 fugitive dust emissions, thereby posing a threat to on-site  
16 workers and persons in the vicinity of the site. Heavy equipment  
17 utilized at the site may track significant quantities of hazard-  
18 ous materials off-site. An office building at the site is being  
19 used by demolition personnel, thereby posing a threat to workers  
20 in this building. Prior to the fencing of the site, the public  
21 had access to the site as evidenced by the presence of bicycle  
22 tracks, footprints and graffiti. Contaminants in the surface  
23 soils and storage areas at the site may pose a threat to  
24 groundwater beneath the site.

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1        8. Substances of concern. Lead, zinc, copper, beryllium  
2 and cadmium were detected at the site at levels of concern. Many  
3 of the samples collected and analyzed by EPA exceeded the Total  
4 Threshold Limit Concentrations (TTLIC), which establish threshold  
5 levels for the regulation of hazardous wastes in California  
6 [Title 22, Cal. Adm. Code, Section 66693 et. seq.].

7        a. Lead. Lead poisoning is one of the most commonly  
8 reported occupational diseases. Some lead compounds are car-  
9 cinogens of the lungs and kidneys. Exposure pathways include  
10 both ingestion and inhalation. Upon inhalation, absorption takes  
11 place through the respiratory tract and symptoms tend to develop  
12 more quickly than from ingestion. Lead is a cumulative poison.  
13 Increasing amounts build up in the body to a point where symptoms  
14 and disability occur. Lead produces a brittleness of the red  
15 blood cells, sensitizing them to trauma. Lesions of the kidney,  
16 liver, male glands, nervous system, blood vessels, and other  
17 tissues have been observed.

18        b. Copper. Inhalation of copper dust has caused hemolysis  
19 of red blood cells in animal experiments. Copper chloride and  
20 sulfate have been reported as causing irritation of the skin and  
21 conjunctivae. Cuprous oxide is an eye and upper respiratory  
22 tract irritant.

23        c. Beryllium. Beryllium and its compounds are considered  
24 to be experimental carcinogens, tumorigens, and neoplastigens.  
25 Inhalation of dust containing beryllium can cause severe lung  
26 damage. Effects have been reported in persons living near  
27 processing plants and families of beryllium workers.

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d. Cadmium. Cadmium is a poison to humans. Exposure occurs by inhalation and other routes. Inhalation of fumes or dusts affects the respiratory tract and the kidneys. Cadmium has been found to be a teratogen and an experimental carcinogen.

e. Zinc. Zinc compounds exhibit varying toxicities. Workers in zinc refining have been reported as suffering from a variety of non-specific intestinal, respiratory and nervous symptoms. Ulceration of the nasal septum and eczematous dermatosis are also reported.

### III. Conclusions of Law

A. H. Kramer and Company and Aero are "persons" as defined in Section 101(21) of CERCLA, 42 U.S.C. §9601(21).

B. The property located at 1 Chapman Way is a "facility" as defined in Section 101(9) of CERCLA, 42 U.S.C. §9601(9).

C. Lead, zinc, copper, beryllium and cadmium are "hazardous substances" as defined in Section 101(14) of CERCLA, 42 U.S.C. §9601(14).

D. The presence of hazardous substances on and in the soils at the site and the potential for those substances to become airborne or for the hazardous substances to migrate to groundwater constitutes a "release" or "threatened release" of hazardous substances into the environment as defined in Section 101(22) of CERCLA, 42 U.S.C. §9601(22).

E. H. Kramer and Company is a "responsible party" as defined in Section 107(a)(3) of CERCLA, 42 U.S.C. §9607(a)(3).

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B. Within seven (7) calendar days of the effective date of this Order, Kramer shall submit to EPA a written proposal for the razing, demolition and salvaging of buildings, equipment and materials at the facility which shall include the following elements.

1. Scope of work.
2. List of equipment and materials to be salvaged and their locations.
3. A site diagram or map designating and identifying areas where work will be conducted.
4. A schedule of daily activities.
5. A description of procedures that will be used to disassemble, dismantle, demolish or otherwise salvage items listed in (2) above.
6. A description of decontamination procedures for the items in (2) above for the purpose of limiting human exposure to hazardous substances.
7. A proposal for dust suppression during on-site activities.
8. A proposal for the cleanup of hazardous substances that pose a threat of airborne release to the environment.
9. A site safety plan.

C. Upon approval of the proposal by EPA, Kramer and Aero may conduct razing, demolition or salvaging activities at the site if such activities are in full compliance with the approved proposal.

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1 D. Within thirty (30) calendar days of the effective date  
2 of this Order, Kramer shall submit to EPA a written proposal with  
3 a schedule for a site assessment and for the removal, treatment  
4 and/or disposal of hazardous substances from the site.

5 E. Within seven (7) days of EPA approval of the proposal,  
6 Kramer shall begin implementation of the proposal. Kramer shall  
7 fully implement the proposal as approved by EPA within the time  
8 period set forth in the schedule.

9 VI. Compliance With Other Laws

10 Respondents shall comply with all federal, state and local  
11 laws and regulations in carrying out the terms of this Order. All  
12 hazardous substances removed from the facility must be handled in  
13 accordance with the Resource Conservation and Recovery Act of  
14 1976, 42 U.S.C. § 6921, et seq., the regulations promulgated un-  
15 der that Act and Section 121(d)(3) of CERCLA, 42 U.S.C. Section  
16 9621(d)(3).

17 VII. On-Scene Coordinator

18 EPA has appointed an On-Scene Coordinator (OSC) for the Site  
19 who has the authority vested in the On-Scene Coordinator by 40  
20 C.F.R. Part 300, et seq. The On-Scene Coordinator for the  
21 property at 1 Chapman Way, El Segundo, California for the pur-  
22 poses of this Order is:

23 Dan Shane  
24 United States Environmental Protection Agency  
25 Region 9  
26 215 Fremont Street  
27 San Francisco, California 94105  
28 (415) 974-8361

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VIII. Submittals

All submittals and notifications to EPA required by this Order or any approved proposal under this Order shall be made to:

Jeff Zelikson  
Director, Toxics and Waste Management Division  
United States Environmental Protection Agency  
Region 9  
215 Fremont Street  
San Francisco, California 94105

Copies of all submittals and notifications shall be sent to the On-Scene Coordinator.

All approvals and decisions of EPA made regarding the submittals and modifications shall be communicated to Respondents by the Director, Toxics Waste and Management Division or his designee. No informal advice, guidance, suggestions, or comments by EPA regarding reports, plans, specifications, schedules, or any other matter will relieve Respondents of their obligation to obtain formal approvals as required by this Order.

IX. Access

Respondents shall provide EPA employees and other representatives with complete access to the facility at all times. Nothing in this Order limits any access rights that EPA or other agencies may have pursuant to law.

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1                   X. Endangerment During Implementation

2           The Director, Toxics and Waste Management Division, EPA  
3   Region 9, may determine that acts or circumstances (whether re-  
4   lated to or unrelated to this Order) may endanger human health,  
5   welfare or the environment and may order the Respondents to stop  
6   further implementation of this Order until the endangerment is  
7   abated.

8                   XI. Government Not Liable

9           The United States Government and its employees and other  
10   representatives shall not be liable for any injuries or damages  
11   to persons or property resulting from the acts or omissions of  
12   Respondents, their employees or other representatives caused by  
13   carrying out this Order. For the purposes of this Order, the  
14   United States Government is not a party to any contract with the  
15   Respondents.

16                   XII. Noncompliance

17           A.   A willful violation or failure or refusal to comply  
18   with this Order may subject Respondents to a civil penalty of up  
19   to \$25,000 per day in which the violation occurs or failure to  
20   comply continues, pursuant to the provisions of Section 106(b)(1)  
21   of CERCLA, 42 U.S.C. §9606(b)(1). Failure to comply with this  
22   Order without sufficient cause may also subject Respondents to  
23   punitive damages of up to three times the total costs incurred by  
24   the United States for site response pursuant to Section 107(c)(3)  
25   of CERCLA, 42 U.S.C. § 9607(c)(3).

26           B.   EPA may take over the removal action at any time if EPA  
27   determines that Respondents are not taking appropriate action.  
28   EPA may order additional actions it deems necessary to protect

1 public health, welfare, or the environment.

2 XIII. Opportunity to Confer

3 Respondents may request a conference with the Director,  
4 Toxics and Waste Management Division, EPA Region 9, or his staff  
5 to discuss the provisions of this Order. At any conference held  
6 pursuant to Respondents request, Respondents may appear in person  
7 or by counsel or other representatives for the purpose of  
8 presenting any objections, defenses or contentions which Respon-  
9 dents may have regarding this Order. If Respondents desire such  
10 a conference, Respondents must make a request orally within 24  
11 hours of receipt of this Order, and confirm the request in writ-  
12 ing immediately.

13 XIV. Parties Bound

14 This Order shall apply to and is binding upon the Respon-  
15 dents, their officers, directors, agents, employees, contractors,  
16 successors, and assigns.

17 XV. Notice of Intent to Comply

18 Within 24 hours of receipt of this Order, Respondents shall  
19 orally inform EPA of their intent to comply with the terms of  
20 this Order. The oral notice shall be confirmed within two (2)  
21 days by written notice to the Director. Failure to timely notify  
22 EPA of the Respondents' intent to fully comply will be construed  
23 by EPA as a refusal to comply.

24 XVI. Notice to State

25 Notice of the issuance of this Order has been given to the  
26 State of California. EPA will consult with the California  
27 Department of Health Services, as appropriate.

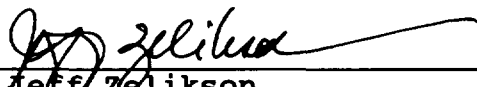
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XVII. Effective Date

Notwithstanding any conferences requested pursuant to the provisions of this Order, this Order is effective on the date of execution by the Director, Toxics and Waste Management Division, EPA Region 9.

IT IS SO ORDERED on this 7<sup>th</sup> day of June, 1988.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

by:   
Jeff Zelikson  
Director, Toxics and Waste Management Division  
EPA, Region 9

Contacts:

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Exhibit I

Sample Collection Summary  
H. Kramer and Company

Sample ID

Sample Location

|      |  |
|------|--|
| D-1  | Surface composite of drainage area; southeast corner of slag pile  |
| S-1  | Surface composite of slag pile; collected from four compass points of slag pile                          |
| P-1  | Grab sample from an excavated area near the west end of slag pile; approximately four feet below surface |
| C-1  | Composite sample of soil around metal crusher located in northeastern most building                      |
| B-1  | Grab sample collected from beneath the eastern baghouse dust silo  |
| F-1  | Composite sample of material beneath furnace located at the northwest corner of property                 |
| SP-1 | Composite sample of cooling pond sludge; collected from northeast corner of eastern cooling pond         |

**Results of Sample Analysis  
H. Kramer and Company**

| SAMPLE ID | BERYLLIUM | CADMIUM | COPPER  | LEAD   | ZINC    |
|-----------|-----------|---------|---------|--------|---------|
| D-1       | 114*      | -       | 21,200  | 2,900  | 99,800  |
| S-1       | 178       | -       | 13,600  | 3,060  | 137,000 |
| P-1       | 283       | -       | 8,450   | 1,600  | 90,800  |
| C-1       | -         | -       | 119,000 | 48,800 | 27,200  |
| B-1       | -         | 909     | 8,900   | 43,500 | 473,000 |
| F-1       | -         | -       | 130,000 | 11,600 | 96,600  |
| SP-1      | -         | -       | -       | 2,490  | 15,700  |
| TTLIC**   |           |         |         |        |         |
| LIMIT     | 75        | 100     | 2,500   | 1,000  | 5,000   |

\* All values in mg/kg

\*\* Total Threshold Limit Concentration (TTLIC)

- Sample analysis results less than TTLIC